STATE OF OREGON COUNTY OF Morrow

CERTIFICATE OF WATER RIGHT (HB - 2153)

THIS CERTIFICATE ISSUED TO

FRITZ CUTSFORTH LAND CO. RT. 2, BOX 2225 HEPPNER, OR 97836

confirms the right to store the waters of MILK CANYON, A TRIBUTARY OF SAND HOLLOW IN TWO RESERVOIRS for IRRIGATION.

The right to store and use these waters was perfected under Reservoir Application R-75918. The date of priority is January 1, 1993. The amount of water entitled to be stored and used each year under this right is not more than 4.856 ACRE-FEET, BEING 4.82 AF IN RESERVOIR 1 AND 0.036 AF IN RESERVOIR 2

Located as follows:

SW 1/4 SE 1/4 SECTION 35, TOWNSHIP 1 SOUTH, RANGE 26 EAST WM. NE 1/4 SE 1/4 SECTION 35, TOWNSHIP 1 SOUTH, RANGE 26 EAST WM.

The storage of water allowed herein is subject to the installation and maintenance of an outlet pipe, with a minimum diameter of 8", or the provision of other means to evacuate water when determined necessary for public safety or to satisfy prior downstream rights as determined by the Water Resources Director.

The right to store and use the water for the above purpose is restricted to beneficial use at the place of use Ested above.

WITNESS the signature of the Water Resources Director, affixed FEBRUARY 27, 1996.

Martha O. Pagel

Martha D. Hale

Recorded in State Record of Water Right Certificates numbered 69909